

AMENDED IN ASSEMBLY AUGUST 16, 2010

AMENDED IN ASSEMBLY AUGUST 2, 2010

AMENDED IN ASSEMBLY JUNE 28, 2010

AMENDED IN ASSEMBLY JUNE 22, 2010

AMENDED IN SENATE MAY 27, 2010

AMENDED IN SENATE APRIL 20, 2010

AMENDED IN SENATE MARCH 22, 2010

SENATE BILL

No. 1125

Introduced by Senator Florez

February 18, 2010

An act to amend Section 19867 of, and to add Sections 19843.5 and 19943.5 to, the Business and Professions Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

SB 1125, as amended, Florez. Gambling Control Act.

(1) The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Existing law requires that an application for a license or a determination of suitability be accompanied by a deposit that, in the judgment of the head of the entity within the Department of Justice that is responsible for fulfilling the obligations imposed by the act, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the application. Existing law requires the head of that entity to adopt a

~~schedule of costs and charges of investigation for use as guidelines in fixing the amount of any required deposit under these provisions.~~

~~This bill would require the department to establish an enhanced fee schedule to provide for additional fees to be charged to applicants who wish to have their applications processed and background investigations conducted in an expedited manner.~~

~~(2) Existing~~

~~Existing Justice.~~ Existing law permits the commission to adopt regulations related to the operation of a gambling establishment, as provided.

This bill would provide that jackpot funds, to which players have made contributions, are ~~considered trust funds that are~~ held for the benefit of the players and are not the property of the gambling establishment.

~~(3)~~

(2) Existing law requires the department to approve the play of any controlled game, including, but not limited to, placing restrictions and limitations on how a controlled game is played.

This bill would provide that a gambling establishment that conducts play of a controlled game that has been approved by the department, but is later found to be unlawful, has an absolute defense to any criminal, administrative, or civil action, so long as the game was being played in the manner approved and during the time for which it was approved.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19843.5 is added to the Business and
2 Professions Code, to read:

3 19843.5. Jackpot funds held by a gambling establishment, to
4 which players have made contributions, following the deduction
5 of any administrative fee approved by the bureau, shall be
6 ~~considered to be trust funds that are~~ held for the benefit of the
7 players. These jackpot funds are not the property of the gambling
8 establishment, but are held solely for the benefit of the players.

9 ~~SEC. 2. Section 19867 of the Business and Professions Code~~
10 ~~is amended to read:~~

11 ~~19867. (a) An application for a license or a determination of~~
12 ~~suitability shall be accompanied by the deposit of a sum of money~~

1 that, in the judgment of the chief, will be adequate to pay the
2 anticipated costs and charges incurred in the investigation and
3 processing of the application. The chief shall adopt a schedule of
4 costs and charges of investigation for use as guidelines in fixing
5 the amount of any required deposit under this section. The schedule
6 shall distinguish between initial and renewal licenses with respect
7 to costs and charges.

8 (b) ~~During an investigation, the chief may require an applicant~~
9 ~~to deposit any additional sums as are required by the department~~
10 ~~to pay final costs and charges of the investigation.~~

11 (c) ~~Any money received from an applicant in excess of the costs~~
12 ~~and charges incurred in the investigation or the processing of the~~
13 ~~application shall be refunded pursuant to regulations adopted by~~
14 ~~the department. At the conclusion of the investigation, the chief~~
15 ~~shall provide the applicant a written, itemized accounting of the~~
16 ~~costs and charges thereby incurred.~~

17 (d) ~~The department shall establish an enhanced fee schedule for~~
18 ~~applicants who wish to have their applications processed and~~
19 ~~background investigations conducted in an expedited manner. The~~
20 ~~payment of those enhanced fees shall entitle the applicant to have~~
21 ~~their applications processed in a shorter period of time than~~
22 ~~normally would be the case.~~

23 ~~SEC. 3.~~

24 *SEC. 2.* Section 19943.5 is added to the Business and
25 Professions Code, to read:

26 19943.5. If a gambling establishment conducts play of a
27 controlled game that has been approved by the department pursuant
28 to Section 19826, and the controlled game is subsequently found
29 to be unlawful, so long as the game was played in the manner
30 approved, the approval by the department shall be an absolute
31 defense to any criminal, administrative, or civil action that may
32 be brought, provided that the game is played during the time for
33 which it was approved by the department.